

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

DOCKET NO. 2003-184

October 13, 2004

FARMINGTON VILLAGE CORPORATION
-WATER DEPARTMENT

ORDER

Request for Approval of Transfer of Assets
For Two Lease Agreements with Mr. Osbourne
And the University of Maine at Farmington

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

We allow Farmington Village Corporation (Department) to lease a 74.2-acre parcel of land to William Osbourne and a 17.6-acre parcel of land to the University of Maine at Farmington (University).

II. BACKGROUND

On March 14, 2003, the Department filed with the Commission its request for approval of its lease agreements with Mr. Osbourne and the University. At that time, neither lease required an annual soil test. The Drinking Water Program was consulted and the Department agreed to amend the leases to include language requiring an annual soil test collected on each parcel. The amended leases were submitted to the Commission on September 14, 2004.

The Department is organized under the laws of the State of Maine pursuant to Ch. 392, Private and Special Laws, 1860, and is a public utility authorized to serve and provide water services in the Town of Farmington. The Department owns land around its source of supply wells for the purpose of providing protection to the aquifer and its facilities.

Before leasing the 74.2-acre parcel of land, the Department advertised for bids from local farmers in order to have the parcel properly maintained. Mr. Osbourne was the bidder with the best price per acre and will be harvesting the grass for dairy feed. Mr. Osbourne will be paying the Department \$1.00 per acre (\$74.00) annually for a five-year period. In addition, Mr. Osbourne has agreed refrain from spreading manure anywhere on the parcel and to apply fertilizers in an approved method.

The University currently leases 17.6 acres of the Department's land and approached the Department for the purposes of leasing the land for use as athletic fields. The University will be paying the Department \$1600.00 annually for a 20-year period, which is a similar price to other land the University leases. In addition, the University has agreed refrain from spreading manure anywhere on the parcel and to apply fertilizers in an approved method.

III. DECISION

The property being used in these transactions is necessary and useful to the Department in providing safe, reasonable and adequate water services. As such, the Department requires our approval under 35-A M.R.S.A. § 1101 before it may lease or otherwise encumber the property. We find that these leasing arrangements are reasonable as they maximize the value the Department can obtain from property it must maintain to provide service.

Accordingly, we

O R D E R

that the Farmington Village Corporation lease agreements with William Osbourne and the University of Maine at Farmington are hereby approved.

Dated at Augusta, Maine this 13th day of October 2004.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
 Diamond
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NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.